



RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION

December 10, 2019

Mr. Charles Maguire, Director
Water Division
NPDES Permits and TMDL Branch (6WQ-PP)
Environmental Protection Agency, Region VI
ATTN: Maria Okpala

Re: Water Quality Certification, Draft NPDES Permit No. TX0092827 (Renewal)
U.S. Department of Energy, Big Hill SPR Facility
Gulf of Mexico, Gulf Intracoastal Waterway, Spindletop Marsh
Jefferson County, Texas

Dear Mr. Maguire:

The Railroad Commission of Texas (RRC) has examined the above referenced draft permit and the statement of basis in response to the public notice. This is a renewal of an existing permit and is proposed to be issued for a five-term. The RRC last issued water quality certification for this facility by letter dated August 17, 2014. This office received notice of the draft permit on October 28, 2019. This office received no comments on the proposed permit.

Although the Texas Commission on Environmental Quality (TCEQ) establishes the Texas surface water quality standards, the RRC has jurisdiction over activities associated with the exploration, development, and production of oil, gas, or geothermal resources that may result in discharges to waters of the U.S. The RRC is responsible for certifying under Section 401 of the Clean Water Act that federal NPDES permits associated with such activities comply with applicable state surface water quality requirements. Statewide Rule 93 (16 TAC §3.93) governs issuance of §401 certifications by the RRC.

The proposed action would modify the previous permit conditions to remove the monitoring requirement for Outfall 001 for Total Dissolved Solids (TDS) because the Texas Surface Water Quality Standards do not establish a TDS criterion for the receiving stream.

The proposed permit constitutes a Federal Action that could affect the land and water use of the coastal zone of Texas. The federal Coastal Zone Management Act of 1972 (CZMA, reauthorized in 1990) requires review by the State of any federal action that affects the land and water use of the State's coastal zone. The Texas Coastal Management Program boundary, as defined at 31 Texas Administrative Code §503.1, delineates the Texas coastal zone. The seaward reach of the boundary extends into the Gulf of Mexico to the limit of state title and ownership under the

Submerged Lands Management Act (43 USC, §§1301 et seq), that is, three (3) marine leagues. Therefore, the Federal Action must be reviewed for consistency with the Texas Coastal Management Plan (TCMP).

The Railroad Commission is the State agency responsible for determining consistency with the TCMP with respect to actions covering activities associated with the exploration, development, and production of oil, gas, or geothermal resources that could affect land and water use of the Texas Coastal Zone. Furthermore, the TCMP policies for discharges of wastewater from oil and gas exploration and production activities include a requirement that all discharges comply with the provisions of the Texas surface water quality standards (31 Texas Administrative Code §§501.14 and 506.12). The Railroad Commission of Texas is the certifying State agency for federal actions with respect to permits covering activities associated with the exploration, development, and production of oil, gas, or geothermal resources that may result in discharges to waters of the United States within the boundaries of the State of Texas (Texas State waters extend to three (3) marine leagues under the Submerged Lands Act).

The Railroad Commission has reviewed this proposed action for consistency with the TCMP goals and policies, in accordance with the regulations of the TCMP, and has found that the proposed action will not have a direct and significant adverse affect on any coastal natural resource area identified in the applicable policies, and has determined that the proposed action is consistent with the applicable goals and policies of the TCMP.

As part of the TCMP review, the Railroad Commission examined the draft permit and has identified no conflicts between the proposed permit and applicable state water quality laws. Our review indicates that, based on the information contained in the draft permit and public notice, there is a reasonable assurance that the permitted activities will be conducted in a manner which will not violate any applicable water quality requirements. The Railroad Commission also finds that no conditions more stringent than those in the draft permit would be necessary to comply with state water quality laws. Therefore, the Railroad Commission hereby grants certification of the referenced permit for compliance with applicable state water quality laws.

Please call me at (512) 463-7308 if you have any questions.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Leslie Savage", written over a horizontal line.

Leslie Savage, Chief Geologist
Oil and Gas Division

FLUOR
Federal Petroleum Operations
850 S. Clearview Parkway
New Orleans, LA 70123
ATT: Mr. Will Woods